

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA

WARREN SHULTS)	Case No.: 4:17-CV-03097-CRZ
)	
Plaintiff,)	
)	
v.)	
)	
NATIONAL UNION FIRE INSURANCE)	
COMPANY OF PITTSBURGH, PA.,)	
)	
Defendant.)	

AMENDED COMPLAINT FOR DECLARATORY JUDGMENT

COMES NOW Plaintiffs Warren Shults and Mark Shults, as next friend of Warren Shults and for cause of action against the Defendant alleges and states as follows:

1. Plaintiff Warren Shults, is a resident of North Platte, Lincoln County, Nebraska. Warren Shults is 82 years of age.
2. Plaintiff Mark Shults is a resident of North Platte, Lincoln County, Nebraska. He is Warren Shults' son. He has been appointed as the agent and Attorney-in-Fact for Warren Shults for financial matters and health care decisions. He is included in this action solely as legally necessary to make decisions on behalf of Warren Shults.
3. Defendant National Union Fire Insurance Company of Pittsburgh, PA. ("National Union") is a corporation organized and existing under the laws of the State of Kentucky and transacting the business of insurance in the State of Nebraska.

4. This is an action for a declaratory judgment pursuant to Section 25-21,149 et seq of the Nebraska Revised Statutes (Reissue 1979), for the purpose of determining a question of actual controversy between the parties, as hereinafter set forth.

5. That on or about June 1, 2010, in Lincoln County, State of Nebraska, for good and valuable consideration paid by National Union, the Defendant did issue and deliver to the Plaintiff Warren Shults a certain policy of insurance, Blanket Accident Insurance, policy number 50270406, (hereinafter "Accident Policy") which was effective as of June 1, 2010 a copy of which is attached hereto as Exhibit "A", and herein incorporated by reference and made a part hereof. That the aforementioned Accident Policy includes accidental coverage to the Plaintiff Warren Shults.

6. That Plaintiffs have continued to pay the premiums for the Accident Policy and it remains effective today.

7. That on or about October 7, 2015, Plaintiff Warren Shults, the insured under the Accident Policy, fell while crossing the street, suffering serious injuries requiring extensive medical treatment. The Accidental Policy was in force on the date of the loss.

8. That the Plaintiffs gave due notice of Warren Shults' claim under the Accidental Policy on or about February 13, 2016 and filed the required claim forms and made proof to Defendant of said claim . A copy of Plaintiff's Proof of Loss is attached hereto as Exhibit "B" and herein incorporated by reference and made a part hereof.

9. That Defendant National Union, through AIG Benefits, electronically acknowledged receipt of the claim on or about February 13, 2016.

10. That Defendant National Union, through AIG Benefits, further acknowledged receipt of the claim on February 25, 2016, assigning claim no. 201602160519 and indicating a response to Plaintiff Warren Shults would be forthcoming in 30 days.

11. That Defendant National Union did not respond within 30 days as promised in its acknowledgment of February 25, 2016.

12. That Defendant National Union, through AIG Benefits, acknowledged receipt of the claim again on October 6, 2016 and assigned the completely new and different claim no. of 201609230534 again promising a response within 30 days.

13. That Defendant National Union did not respond within 30 days as promised in its second acknowledgment of October 6, 2016.

14. That Plaintiffs' undersigned attorney submitted a demand letter to Defendant National Union on December 29, 2016.

15. That Defendant National Union responded to Plaintiffs' demand letter on January 19, 2017, requesting the submission of yet another proof of loss.

16. That Plaintiff Warren Shults demanded again on February 20, 2017 for Defendant National Union to respond to his claim.

17. That Defendant National Union unequivocally denied Plaintiff Warren Shults' claim under the Accidental Policy contending that Plaintiff warren Shults was not covered

under the Permanent Total Disability coverage of the Policy. A copy of this denial letter is attached hereto as Exhibit "C" and herein incorporated by reference and made a part hereof.

18. That the Accidental Policy contains multiple additional coverages that were not considered or addressed by Defendant National Union and that Defendant did not fully investigate Plaintiff Warren Shults' claim.

19. Plaintiffs seeks a judicial determination of the rights and duties of the parties hereto under the respective insurance policy identified above and a declaration that the policies provide coverage for the damages and expenses sustained by Plaintiff Warren Shults and the damages sustained by Plaintiff Warren Shults in the form of legal fees and expenses.

FIRST CAUSE OF ACTION

20. Plaintiffs re-allege paragraph 1- 19 of this Complaint as if fully set forth herein.

21. That the Accidental Policy contains coverages that include, but are not limited to, Accidental Dismemberment, In Hospital Indemnity Benefit, Permanent Total Disability Benefit and Physician's Office Visit Indemnity Benefit (collectively Policy Benefits").

22. That one or more of the Policy Benefits clearly apply to the injuries and damages suffered by Plaintiff Warren Shults as a result of his accidental fall that is the subject of this Complaint.

23. That Plaintiffs duly notified Defendant National Union of the incident and received notification that there was no coverage under one of the multiple coverages under the Accidental Policy.

24. That Defendant National Union's unequivocal denial of Plaintiff Warren Shults' claim under the Accidental Policy was incorrect and a breach of the contract established by the Accidental Policy and as such, Defendant National Union is liable to Plaintiff Warren Shults for all available benefits under the Accidental Policy.

SECOND CAUSE OF ACTION

BREACH OF THE COVENANT OF GOOD FAITH/BAD FAITH

INSURANCE PRACTICE

25. Plaintiffs re-allege paragraph 1- 24 of this Complaint as if fully set forth herein.

26. That Defendant National Union has an obligation of good faith dealing with Plaintiff Warren Shults, as a first party insured. The obligation of good faith arises for National Union because it issued the Accidental Policy, collected premiums and is responsible for payments on claims made pursuant to policy.

27. That Defendant National Union's unequivocal denial of Plaintiff Warren Shults' claim under the Accidental Policy was incorrect, a breach of its obligation of good faith dealing with Plaintiff Warren Shults and was made in bad faith.

28. That Defendant National Union's breach of its obligation of good faith dealing with Plaintiff Warren Shults and bad faith include but are not limited to the following

acts:

- A. intentionally failing to pay Plaintiff Warren Shults amounts which are clearly due under the Accidental Policy;
- B. attempting to narrowly construe the Accidental Policy to deny and prevent coverage when the plain reading of the Accidental Policy clearly establishes coverage for the injuries and damages suffered by Plaintiff Warren Shults;
- C. engaging in an adversarial process with its insured rather than cooperating with its insured so that proper payment can be made pursuant to the Accidental Policy;
- D. repeatedly violating its promises to respond to Plaintiff Warren Shults within 30 days; and
- E. repeatedly demanding that the Plaintiff Warren Shults start-over and submit repetitive Proof of Losses.

28. That as a result of Defendant National Union's violation of its obligation of good faith and its bad faith is tortious action and as such, Defendant National Union is liable to Plaintiff Warren Shults for any and all damages resulting therefrom, including any and all proceeds available from the Accidental Policy and other damages allowable by law, including costs and attorney's fees.

WHEREFORE, Plaintiffs pray that the Court interpret the provisions of the insurance policy issued by the Defendant National Union and adjudicate the rights and

obligations of the parties thereunder, and render a declaratory judgment as to such rights and obligations, render judgment in their favor on Plaintiffs' claim that Defendant breached its obligation of good faith and fair dealing and also render such judgment for costs, including attorney fees as may to the Court seems just and equitable.

Plaintiff demands a trial by jury on all issues.

WARREN SHULTS and MARK SHULTS, as next friend of WARREN SHULTS, Plaintiffs,

By _____

Vincent J. Dugan, #20626

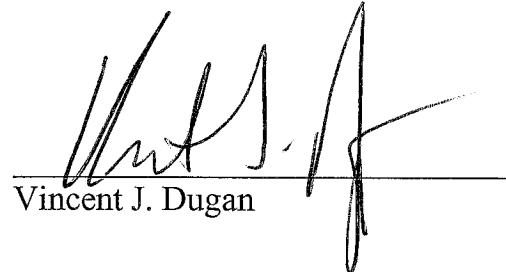
FOR: BROUILLETTE, DUGAN & TROSHYNSKI, P.C., LLO
P. O. Box 1605
North Platte, NE 69103-1605
(308) 532-1600

ATTORNEYS FOR PLAINTIFFS

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 27th day of September, 2017, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to the following and caused a true and complete copy of the foregoing to be served upon the following person by placing a copy thereof in the U.S. mail, first class postage prepaid thereon and addressed as follows and Via Email to spaul@mcgrathnorth.com:

J. Scott Paul
McGrath North Mullin & Kratz, PC LLO
First National Tower, Suite 3700
1601 Dodge Street
Omaha, NE 68102


Vincent J. Dugan

National Union Fire Insurance Company of Pittsburgh, PA
Program Administrative Office
PO Box 44260
Jacksonville, FL 32231

Warren Shults
Po Box 1063
North Platte, NE 69103 - 1063

Re: Customer No. 50270406
Effective Date: 06/01/2010

Dear Warren Shults,

Congratulations and welcome to the National Union customer family! We're delighted to enclose your new accident insurance coverage documents. Please take a few moments to review them. These documents set out the complete details of your coverage, including benefit amounts, limitations and exclusions. Although your coverage increases as specified in the attached document, your coverage will be reduced by 50% at age 70. If you are 70 years of age or older on the date of any covered accident, your maximum benefit amount under this policy will be reduced by fifty percent (50%).* If your name and coverage amounts are not correct, please let us know immediately so that we can make the necessary changes.

*You made a smart decision when you enrolled for this coverage. Each year, accidents affect the lives of millions of Americans. The total cost of these accidents is billions of dollars.***

BEST OF ALL

- Coverage amounts **automatically increase** every three months!
- Premiums do **NOT** increase!
- Coverage amounts continue to increase every three months until they **double!**

(over, please)

Exhibit (A)

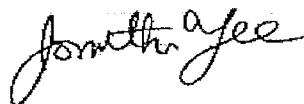
We'll be here when you need us. National Union Fire Insurance Company of Pittsburgh, Pa. is the underwriter of this accident insurance program. National Union has been in business since 1901 and is licensed in all 50 states and the District of Columbia. As a leading provider of commercial and personal insurance, National Union serves business and individual customers throughout the United States. National Union has over 10 billion dollars in statutory surplus. Financial strength, superior service and responsive claims handling provide the foundation of our commitment to you.

Your coverage becomes effective on the effective date shown in the enclosed documents. Unless you call to cancel the coverage before that effective date, your payment of \$24.90 will be automatically deducted from your primary *Wells Fargo*® checking account each month your coverage remains in force. You don't have to worry about missing a payment to keep this coverage in force. Unless you tell us otherwise, there are no bills coming to your home or extra checks to write each month.

You can count on National Union

If you have any questions about your new coverage or your billing, our experienced Customer Service Representatives are just a phone call away. Our toll free number is 800-572-5848. Our hours are 7 a.m. to 10 p.m. Eastern Time on weekdays and 7 a.m. to 3 p.m. Eastern Time on Saturday. They will be happy to help you in any way they can. In the meantime, congratulations once again for choosing National Union. We appreciate the opportunity to provide you with this valuable coverage and we look forward to serving you.

Sincerely,



Jonathan Yee
Senior Vice President of Consumer Marketing
Domestic Accident & Health Division

* The benefit reduction does not apply to the Physician's Office Visit benefit, if that benefit is included in your coverage.
**National Safety Council Injury Facts, 2009 Edition

This Accident Insurance Coverage is underwritten by National Union Fire Insurance Company of Pittsburgh, Pa., with its principal place of business at 175 Water Street, 18th Floor, New York, NY 10038. Insurance products are NOT insured by the F.D.I.C., are not deposits of any other government agency, are not deposits or other obligations of any bank, and are not guaranteed by any bank.

0703.060 DED B01 w/App



Dear Customer:

Thank you for enrolling in the accident insurance program, underwritten by National Union Fire Insurance Company of Pittsburgh, Pa. It's one way we can show you just how much you and your family mean to us.

Please take a moment to review and familiarize yourself with the information National Union has provided in the enclosed Insurance Document. As you review this information, please pay close attention to the following:

- Verify your name and address
- Confirm the accuracy of the Benefit Schedule located on Page 2 of the Insurance Document
- Familiarize yourself with the claims process

It is important to keep a copy of your Insurance Document with your other important papers. If you have any questions or if you need to file a claim, please call National Union's experienced Customer Service Representatives toll-free at 800-572-5848.

Wells Fargo is pleased to offer a full range of financial services. Participation in this Program is just one of the many ways you can take advantage of your *Wells Fargo®* account.

Again, thank you for taking advantage of this offer. I truly believe it is a decision you will never regret.

Sincerely,

A handwritten signature in black ink that reads "Robert J. Dudacek". The signature is fluid and cursive, with "Robert J." on top and "Dudacek" on the line below.

Robert J. Dudacek
Vice President
Wells Fargo Bank, N.A.
CA license #0800827

National Union Fire Insurance Company of Pittsburgh, PA
Program Administrative Office
PO Box 44260
Jacksonville, FL 32231

Warren Shults
Po Box 1063
North Platte, NE 69103-1063

Re: Customer No: 50270406

Dear Warren Shults,

You made a smart decision when you enrolled for Accident Insurance with us. By choosing this coverage, you've taken a very important step to help ease the economic impact that can occur if you are in a serious accident. Unless you call to cancel prior to your effective date as specified in your Insurance Documents, your monthly payment will be automatically applied to your account each month your coverage remains in force. You don't have to worry about missing a premium payment to keep this coverage in force. We appreciate the opportunity to provide you with this valuable coverage and we look forward to serving you. Our toll-free customer service number is 1-800-572-5848.

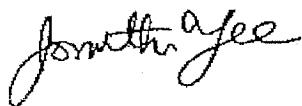
In addition to the coverage you have already selected, you can also receive a \$50,000* no-cost-to-you accident disability coverage benefit.

If you enroll today, the first three months of this valuable insurance plan are paid for you by Wells Fargo Bank, N.A. If you suffer a disabling accident covered by this Permanent Total Disability Accident Insurance plan*, you'll receive a lump-sum payment to help you with your ongoing financial needs. The money can be used as you choose. There are no restrictions on how you spend the cash benefit. After the three-month no-cost period, the affordable group rate would be \$5.50 per month should you decide to keep the coverage.

You can also increase your coverage by as much as \$1,000,000* right now, along with up to \$10,000.00* per week for hospitalization and up to \$1,000.00* for emergency room treatment for covered accidents. You can choose additional coverage now for yourself, or yourself and your eligible spouse under the Joint Plan and take advantage of the group rates available to you as a Wells Fargo customer.

To enroll, simply complete and sign the enclosed Verification Form and mail it in the postage-paid envelope provided. You will receive insurance documents for your \$50,000* coverage plus any additional coverage you select.

Sincerely,



Jonathan Yee
Senior Vice President of Consumer Marketing
Domestic Accident & Health Division

*Eligible ages 18-80. All coverage amounts reduce 50% at age 70. Not available in all states. See reverse side for a description of the coverage and exclusions.

This disclosure explains the general purpose of the insurance described, but in no way changes or affects the policy as actually issued. In the event of a discrepancy between this disclosure and the Policy, the terms of the Policy apply. Complete details are in the Insurance Documents issued to each insured person.

General Exclusions

No coverage shall be provided under the Policy and no payment shall be made for any loss resulting in whole or in part from, or contributed to by, or as a natural and probable consequence of any of the following excluded risks:

suicide or any attempt at suicide or intentionally self-inflicted injury or any attempt at self-inflicted injury or autoeroticism; sickness, disease, mental incapacity or bodily infirmity whether the loss results directly or indirectly from any of these; commission of or attempt to commit a felony; infections of any kind regardless of how contracted, except bacterial infections that are caused by botulism, ptomaine poisoning or an accidental cut or wound independent and in the absence of any underlying sickness, disease, or condition, including but not limited to diabetes; declared or undeclared war, or any act of declared or undeclared war; full-time active duty in the armed forces, National Guard or organized reserve corps of any country or international authority (uncarried premium for any period for which You are not, or Your Insured Spouse is not, covered due to active duty status will be refunded); loss caused while on short-term National Guard or reserve duty for regularly scheduled training purposes is not excluded); travel or flight in or on (including getting in or out of, or on or off of) any vehicle used for aerial navigation, if the Insured Person is riding as a passenger in any aircraft not licensed for the transportation of passengers for hire, or learning to perform or instructing others to perform as a pilot or crew member of any aircraft; being under the influence of intoxicants; being under the influence of drugs unless taken under the advice of and as specified by a Physician; the medical or surgical treatment of sickness, disease, mental incapacity or bodily infirmity whether the loss results directly or indirectly from the treatment; stroke or cerebrovascular accident or event; cardiovascular accident or event; myocardial infarction or heart attack; coronary thrombosis; aneurysm; riding in or driving any type of motor vehicle as part of a speed contest or scheduled race, including testing such vehicle on a track, speedway or proving ground; or, any loss incurred while outside the United States, its Territories, or Canada.

Who is Eligible

All customers age 18-80, and their spouses, are eligible for coverage. On joint accounts, the person who signs the verification form will be the Primary Insured Person. In order to initiate your coverage, YOU MUST COMPLETE AND RETURN THE ENCLOSED VERIFICATION FORM.

Coverage Provided

If you or your Insured Spouse (if Joint coverage elected) suffer an injury that results in Permanent Total Disability within 90 days after the date of the covered accident (subject to the conditions detailed in the Insurance Documents), and the disability continues for six months, we will pay the benefit amount for the plan you select. If you are or your Insured spouse (if Joint coverage elected) is confined to a hospital* as a result of a covered accident, we will pay a daily benefit (maximum of 365 days) equal to 1/7 of the weekly benefit for the plan you select. If you are, or your Insured Spouse (if Joint coverage elected) is, required to receive Emergency Treatment in a hospital emergency room as a result of a covered injury, we will pay the benefit for the plan you select. Injury means bodily injury that is a direct result of an accident that occurs while the injured person's coverage under the Policy is in force and directly (independent of sickness, disease, mental incapacity, bodily infirmity or any other cause) causes a covered loss. PERMANENTLY TOTALLY DISABLED MEANS THAT AN INSURED PERSON: (1) HAS SUFFERED A PARALYSIS, DOUBLE DISMEMBERMENT OR OTHER COVERED CONDITION AS EXPLAINED IN YOUR INSURANCE DOCUMENTS DUE TO A COVERED ACCIDENT; (2) IS PERMANENTLY UNABLE TO ENGAGE IN ANY OF THE USUAL ACTIVITIES OF A PERSON OF LIKE AGE AND SEX WHOSE HEALTH IS COMPARABLE TO THE INSURED PERSON IMMEDIATELY PRIOR TO THE ACCIDENT AND (3) IS UNDER THE CARE OF A DOCTOR.

*A hospital does not include certain facilities that provide institutional care such as a nursing home, convalescent home or extended care facility.

- COVERAGE RATE SCHEDULE -					
MAXIMUM BENEFIT AMOUNT*:	\$50,000 Coverage		Additional Coverage		
PERMANENT TOTAL DISABILITY:	\$50,000	\$200,000	\$300,000	\$500,000	\$1,000,000
HOSPITALIZATION - WEEKLY BENEFIT	\$1,000	\$2,000	\$3,000	\$5,000	\$10,000
EMERGENCY TREATMENT:	\$100	\$200	\$300	\$500	\$1,000
MONTHLY PREMIUMS:					
Individual Coverage:	\$5.50**	\$9.95	\$13.95	\$19.95	\$29.95
Joint Coverage:	N/A	\$13.95	\$19.95	\$27.95	\$39.95

*Coverage amounts increase 10% of the original amount every 3 months until they are double the original amount. Coverage is reduced 50% at age 70. See Joint Coverage provision for coverage amounts for eligible spouse.

**The first 3 months of \$50,000 coverage is paid for by Wells Fargo Bank, N.A.

No Insurance Underwriting Restrictions

All eligible customers who complete and return the verification form will be accepted. There are no medical questions or physical examinations required for enrollment.

Termination of Coverage

Coverage terminates on the earliest of: the date you request termination, the date you cease to be eligible for the Coverage, the date you fail to pay any required premium or the date the master policy is terminated.

Debit Authorization

I have read, understand and agree to all insurance disclosures, and I authorize my financial institution and its service provider to automatically debit my primary Wells Fargo® checking account monthly according to the Coverage Rate Schedule for any additional coverage I select as well as the \$5.50 per month after the three month no-cost period paid for by Wells Fargo Bank, N.A.

Joint Coverage

A Joint plan, if selected, will insure you for the Additional Coverage checked on your verification form and your spouse for 50% of the Additional Coverage (benefits reduce by 50% at age 70). Joint coverage is not available for the \$50,000 coverage option.

Effective Date of Coverage

No-cost and Additional Coverage, if selected, will become effective on the date shown on the schedule page of your Insurance Documents. Each person participating in the plan will receive Insurance Documents describing the exact coverage and benefits provided.

Underwritten by: National Union Fire Insurance Company of Pittsburgh, Pa., with its principal place of business in New York, N.Y.

This document provides only brief descriptions of the coverage(s) available under policy series C11695DBG (A30293NUFIC in CO, FL & OR). The policy may contain reductions, limitations, exclusions and termination provisions. Full details of the coverage are contained in the policy. If there is any conflict between the contents of this document and the policy, the policy shall govern in all cases. Not all coverages are available in every state.

In CA: Wells Fargo Bank, N.A. (CA License #0800827) and its licensed affiliates and agents are compensated by the insurer for placing this coverage. Insurance products are made available through Wells Fargo Bank, N.A. or licensed affiliates.

All States Except CA: Wells Fargo Insurance, Inc. and its licensed affiliates and agents are compensated by the insurer for placing this coverage. Insurance products are made available through Wells Fargo Insurance, Inc. or licensed affiliates.

Important Notice to Persons On Medicare

This insurance duplicates some Medicare Benefits. This is not Medicare Supplement Insurance. This insurance pays a fixed dollar amount, regardless of your expenses, for each day you meet the policy conditions. It does not pay your Medicare deductibles or coinsurance, and is not a substitute for Medicare Supplemental insurance. This insurance duplicates Medicare benefits when any expenses or services covered by the policy also are covered by Medicare. Medicare generally pays for most or all of these expenses. Medicare pays extensive benefits for medically necessary services regardless of the reason you need them. These include hospitalization; physician services; outpatient drugs if you are enrolled in Medicare Part D; hospice; and other approved items and services.

Before you buy this insurance check the coverage in all health insurance policies you have already. For more information about Medicare and Medicare Supplement Insurance, review the *Guide to Health Insurance for People with Medicare*, available from the insurance company. For help in understanding your health insurance, contact your state insurance department or state health insurance assistance program (SHIP).

Verification Form

A \$50,000* lump-sum Permanent Total Disability Accident benefit is now available at no cost to you for three full months.

Please complete and return this form within 10 days.

1. Check the Yes box and sign for your initial \$50,000.00* in coverage at no cost to you for three full months.
2. Select any additional coverage you'd like at affordable group rates, and select Joint coverage for you and your spouse, or Single coverage for you alone.
3. Sign, date and return this form and mail it back in the postage-paid envelope provided.

Warren Shults
Po Box 1063
North Platte, NE 69103-1063

Priority Code:

YES! I have received this no-cost-to-me coverage option. Please enroll me for the \$50,000* insurance coverage with the first three months paid for by Wells Fargo Bank, N.A. (Single Coverage)

I also want Additional Coverage*:

(See Additional Coverage Rate Schedule for monthly cost)

Check One:	<u>Monthly Premium</u>
<input type="checkbox"/> \$1,000,000	Single - \$29.95 / Joint - \$39.95
<input type="checkbox"/> \$500,000	Single - \$19.95 / Joint - \$27.95
<input type="checkbox"/> \$300,000	Single - \$13.95 / Joint - \$19.95
<input type="checkbox"/> \$200,000	Single - \$9.95 / Joint - \$13.95

Choose Joint or Single Coverage:

- Joint* (Covers you and your spouse)
 Single (Covers you alone)

Debit Authorization: Please sign me up for the insurance program underwritten by National Union Fire Insurance Company of Pittsburgh, Pa. I have read, understand and agree to the terms and conditions of coverage and all insurance and federal disclosures, and I authorize my financial institution and its service provider to automatically debit my primary Wells Fargo® checking account monthly according to the Coverage Rate Schedule for any additional coverage I select as well as the \$5.50 per month after the three month no-cost period paid for by Wells Fargo Bank, N.A.

X

Signature

Signator will be the
Primary Insured

Today's Date

E-Mail Address: (optional)

*Benefit amount is reduced 50% at age 70. Eligible ages 18-80. Spouse coverage, if selected, is 50% of Primary Insured's coverage. Not available in all states. See reverse side of letter for a description of the coverage and exclusions. (MAC N9377-120)

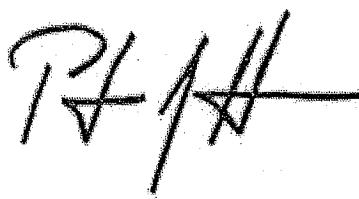
0810.021 (1) Wells DDA
WFDD-0 Bonus Dis English WL XSELL

NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

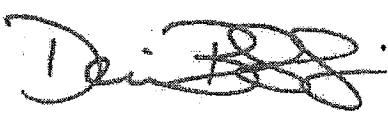
Administrative Offices: 80 Pine Street, New York, NY 10005
(herein referred to as the Company)

PLEASE READ THIS DESCRIPTION OF COVERAGE CAREFULLY

This Description of Coverage describes blanket accident coverage. The Policy provides limited benefits which are supplemental and are not intended to cover all medical expenses.



President



Secretary

**Blanket
Accident Insurance
For Wells Fargo-DDA**

Policy Number: 50270406

**Description
Of
Coverage**

Information Page

Policyholder: Wells Fargo-DDA
 Customer Number: 9540562
 Coverage Effective Date: 06/01/2010
 Coverage: Primary Insured, Insured Spouse, & Insured Dependent Coverage.

Covered Activities: All activities except while riding as a fare paying passenger on a commercial airline.

The Maximum Amounts are used to determine amounts payable under each Benefit. Actual amounts payable will not exceed the maximums, and may be less than the maximums under circumstances specified in this Description of Coverage. The maximum amount payable specified below for all benefits, except the Physician's Office Visit Benefit, for an Insured who is age 70 or older on the date of an accident for which benefits are payable will be reduced by 50% of the Maximum Amount.

Benefit Schedule

Master Policy Number: SRG 9540562
 Primary Insured's Name: Warren Shults
 Monthly Premium: \$24.90

BENEFIT SCHEDULE:

Benefit	Maximum Amount			
	Primary Insured	Insured Spouse	Dependent Child(ren)	
Accidental Dismemberment	\$1,000	\$500	\$0	
In-Hospital Indemnity Single Payment Benefit Waiting Period: 30 Days Policy Month in which Injury causing the Hospitalization occurs:	1-3 4-6 7-9 10-12 13-15 16-18 19-21 22-24 25-27 28-30 31+	\$30,000 \$33,000 \$36,000 \$39,000 \$42,000 \$45,000 \$48,000 \$51,000 \$54,000 \$57,000 \$60,000	\$15,000 \$16,500 \$18,000 \$19,500 \$21,000 \$22,500 \$24,000 \$25,500 \$27,000 \$28,500 \$30,000	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
In-Hospital Indemnity Daily Benefit Waiting Period: 30 Days; Maximum Benefit Period: 150 Days Policy Month in which Injury causing the Hospitalization occurs:	1-3 4-6 7-9 10-12 13-15 16-18 19-21 22-24 25-27 28-30 31+	\$500 \$550 \$600 \$650 \$700 \$750 \$800 \$850 \$900 \$950 \$1,000	\$250 \$275 \$300 \$325 \$350 \$375 \$400 \$425 \$450 \$475 \$500	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Permanent Total Disability (Monthly Benefit) Waiting Period: 6 months; Maximum Benefit Period: 120 months Policy Month in which Injury causing the Disability occurs:	1-3 4-6 7-9 10-12 13-15 16-18 19-21 22-24 25-27 28-30 31+	\$10,000 \$11,000 \$12,000 \$13,000 \$14,000 \$15,000 \$16,000 \$17,000 \$18,000 \$19,000 \$20,000	\$5,000 \$5,500 \$6,000 \$6,500 \$7,000 \$7,500 \$8,000 \$8,500 \$9,000 \$9,500 \$10,000	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0
Physician's Visit Benefit (Per Quarter) Family Maximum Number of Visits per Quarter: 1 Policy Month in which Physician's Office Visit occurs:	1-3 4-6 7-9 10-12 13-15 16-18 19-21 22-24 25-27 28-30 31+	\$25.00 \$27.50 \$30.00 \$32.50 \$35.00 \$37.50 \$40.00 \$42.50 \$45.00 \$47.50 \$50.00	\$25.00 \$27.50 \$30.00 \$32.50 \$35.00 \$37.50 \$40.00 \$42.50 \$45.00 \$47.50 \$50.00	\$25.00 \$27.50 \$30.00 \$32.50 \$35.00 \$37.50 \$40.00 \$42.50 \$45.00 \$47.50 \$50.00

Maximum Benefit Per Accident: \$2,611,000

IMPORTANT If any conflict should arise between the contents of this Description of Coverage and the Master Policy SRG 9540562, or if any point is not covered herein, the terms and conditions of the Master Policy will govern in all cases. Not available in all states.

Underwritten by National Union Fire Insurance Company of Pittsburgh, Pa.

Administrative Offices: 80 Pine Street, New York, NY 10005

DESCRIPTION OF COVERAGE

This Description of Coverage describes blanket accident insurance coverage provided to Insureds of the Policyholder named above (herein called the Policyholder) while those persons are participating in Covered Activities.

ELIGIBILITY

You are eligible for coverage as a customer of the Policyholder identified on the Schedule of Benefits until You attain age 85.

RIGHT TO EXAMINE

This description of coverage is issued to You, the Primary Insured, and can be returned for any reason within the later of: (1) 60 days after it is received by You; or (2) 30 days after Your Coverage Effective Date. The Description of Coverage should be returned by mail or in person to the Company. Any premium paid will be refunded and the Description of Coverage will be treated as if it were never issued.

DEFINITIONS

Any capitalized terms in this Description of Coverage are to be given the meanings as ascribed in this section or as later defined.

Benefit Schedule - means the Benefit Schedule section of this Description of Coverage.

Covered Activity (ies) - means those activities set out in the Covered Activities section of this Description of Coverage, with respect to which Insured(s) are provided accident insurance under the Policy.

Eligible Dependent Child - means the Primary Insured's unmarried child(ren), including natural, step, foster or adopted children from the moment of placement in the home of the Primary Insured under age 19 (or age 23 if attending an accredited institution of higher learning on a full time basis) and primarily dependent on the Primary Insured for support and maintenance.

Eligible Spouse - means the Primary Insured's legal spouse.

Hospital - means a facility that: (1) is operated according to law for the care and treatment of injured and sick people; (2) has organized facilities for diagnosis and surgery on its premises or in facilities available to it on a prearranged basis; (3) has 24 hour nursing service by registered nurses (R.N.); and (4) is supervised by one or more Physicians. A Hospital does not include: (1) a nursing, convalescent or geriatric unit of a hospital when a patient is confined mainly to receive nursing care; (2) a facility that is, other than incidentally, a rest home, nursing home, convalescent home or home for the aged; nor does it include any ward, room, wing, or other section of the hospital that is used for such purposes; or (3) any military or veterans hospital or soldiers home or any hospital contracted for or operated by any national government or government agency for the treatment of members or ex-members of the armed forces.¹

Immediate Family Member - means a person who is related to the Insured in any of the following ways: spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, parent (includes stepparent), brother or sister (includes stepbrother or stepsister), or child (includes legally adopted or stepchild).²

Injury - means bodily injury: (1) which is sustained as a direct result of an unintended, unanticipated accident that is external to the body and that occurs while the injured person's coverage under the Policy is in force; (2) which occurs while such person is participating in a Covered Activity; and (3) which directly (independent of sickness, disease, mental incapacity, bodily infirmity or any other cause) causes a covered loss.³

Insured - means a person: (1) who is listed under the Benefit Schedule and described under the Eligibility section of this Description of Coverage as a Primary Insured or Insured Dependent; (2) for whom premium has been paid; (3) while covered under the Policy; and (4) who has enrolled for coverage.

Insured Dependent - means the Primary Insured's Insured Spouse or Insured Dependent Child.

Insured Dependent Child - means the Primary Insured's Eligible Dependent Child: (1) for whom premium has been paid when due; and (2) while covered under the Policy.

Insured Person - means a Primary Insured or an Insured Dependent.

Insured Spouse - means the Primary Insured's Eligible Spouse: (1) for whom premium has been paid when due; and (2) while covered under the Policy.

Physician - means a licensed practitioner of the healing arts acting within the scope of his or her license who is not: 1) the Insured; 2) an Immediate Family Member; or 3) retained by the Policyholder.

You, Your - means the Insured.

YOUR EFFECTIVE AND TERMINATION DATES

Effective Date.⁴ An Insured's coverage under the Policy begins on the latest of: (1) the Policy Effective Date; (2) the date for which the first premium for the Insured's coverage is paid; (3) the date the person becomes eligible; or (4) if individual enrollment is required, the date written enrollment is received by the Policyholder.

Termination Date. An Insured's coverage under the Policy ends on the earliest of: (1) the date the Policy is terminated (unless the Company and the Policyholder agree, in writing, to permit coverage to continue to the end of the period for which premiums have been paid in lieu of a return of unearned premiums); (2) the end of the period for which premiums have been paid; (3) the date the Insured ceases to be eligible; or (4) the date the Insured requests, in writing, that his or her coverage be terminated.

Termination of coverage will not affect a claim for a covered loss that occurred while the Insured's coverage was in force under the Policy.⁵

DESCRIPTION OF BENEFITS

The Maximum Amounts shown in the Benefit Schedule, subject to the Reduction Schedule, are used to determine amounts payable under each Benefit.

Reduction Schedule. The Maximum Amount used to determine the amount payable for a loss will be reduced if the Insured is age 70 or older on the date of the accident causing the loss with respect to any of the following Benefits provided by the Policy: Accidental Dismemberment Benefit, In-Hospital Indemnity Single Payment Benefit, In-Hospital Indemnity Daily Benefit, and Permanent Total Disability. The Maximum Amount is reduced to a percentage of the Maximum Amount that would be used if the Insured Person was under age 70 on the date of the accident according to the following schedule:

AGE ON DATE OF ACCIDENT	PERCENTAGE OF UNDER- AGE-70 MAXIMUM AMOUNT
70 or older	Reduced by 50%

This limitation does not apply to the Physician's Office Visits Indemnity Benefit.

Premium for an Insured age 70 or older is based on 100% of the coverage that would be in effect if the Insured were under age 70. "Age" as used above refers to the age of the Insured on the Insured's most recent birthday, regardless of the actual time of birth.

Accidental Dismemberment Benefit

If Injury to the Insured results, within 90 days of the date of the accident that caused the Injury, in any one of the Losses specified below, the Company will pay the percentage of the Maximum Amount shown below for that Loss:

For Loss of Both Hands or Both Feet	Percentage of Maximum Amount 100%

Sight of Both Eyes	100%
One Hand and One Foot	100%
One Hand and the Sight of One Eye	100%
One Foot and the Sight of One Eye	100%
One Hand or One Foot	50%
The Sight of One Eye	50%

"Loss" of a hand or foot means complete severance through or above the wrist or ankle joint. "Loss" of sight of an eye means total and irrecoverable loss of the entire sight in that eye.

If more than one Loss is sustained by an Insured as a result of the same accident, only one amount, the largest, will be paid.⁶

In-Hospital Indemnity Benefit

Daily Benefit. If You suffer an Injury that, within 90 days of the date of the accident that caused the Injury, requires You to be confined in a Hospital as an Inpatient due to that Injury, the Company will pay a benefit after the Waiting Period specified in the Benefit Schedule. No benefit is provided if You are confined for less than the Waiting Period specified in the Benefit Schedule. The amount of the benefit is equal to 100% of the In-Hospital Indemnity Daily Payment Benefit Maximum shown in the Benefit Schedule per Day of Confinement due to that Injury. This benefit is payable monthly up to the Maximum Benefit Period shown for the In-Hospital Indemnity Daily Payment Benefit in the Benefit Schedule during any one Period of Confinement. Only one benefit is provided for any one Day of Confinement regardless of the number of Injuries for which the confinement is required.

Single Payment Benefit. If You suffer an Injury that, within 90 days of the date of the accident that caused the Injury, requires You to be confined in a Hospital as an Inpatient due to that Injury, the Company will pay a benefit after the Waiting Period specified in the Benefit Schedule. No benefit is provided for any confinement which is less than Waiting Period specified in the Benefit Schedule. The amount of the benefit is equal to 100% of the In-Hospital Indemnity Single Payment Benefit Maximum shown in the Benefit Schedule. Only one benefit is provided for any one accident for You regardless of the number of Injuries for which the confinement is required or the number of times You must be confined due to Injuries resulting from the same accident.

Days of Confinement/Confinement – As used in this benefit means a Medically Necessary day of Hospital confinement as an Inpatient.

Inpatient – As used in this benefit means a person: (1) who is confined in a Hospital as a registered bed patient; and (2) for whom at least one day's room and board is charged by the Hospital unless confined as an Inpatient in any military, veterans or other government supported or sponsored Hospital for which a charge for room and board is not made.

Medically Necessary – As used in this benefit means: (1) essential for the diagnosis, treatment and care of the Injury; (2) in accordance with generally accepted standards of medical practice; and (3) ordered by a Physician.

Period of Confinement – As used in this benefit means a period of consecutive Days of Confinement as an Inpatient for all Injuries caused by the same accident. However, successive confinements as an Inpatient for all Injuries caused by the same accident are considered to be part of the same Period of Confinement, unless the discharge date for the prior confinement is separated from the admission date for the next confinement by at least 60 days.

Permanent Total Disability Benefit

(Not Applicable to Insureds Age 85 or Older on the Date of the Accident)
Monthly Benefit. If, as a result of an Injury, You are, or Your Insured Spouse is, rendered Permanently Totally Disabled as defined herein within 90 days of the accident that caused the Injury, and if the Permanent Total Disability due to that Injury continues for the Waiting Period specified in the Benefit Schedule, the Company will pay a monthly benefit equal to the Permanent Total Disability Benefit shown in the Benefit Schedule starting with the 1st consecutive month of Permanent Total Disability following the Waiting Period

specified in the Benefit Schedule for the Maximum Benefit Period shown in the Benefit Schedule.

A Permanent Total Disability benefit is payable monthly as long as You or Your Insured Spouse remain continuously Permanently Totally Disabled due to the same Injury, but ceases on the earliest of: (1) the date You or Your Insured Spouse cease to be Permanently Totally Disabled; (2) the date You or Your Insured Spouse die; or (3) the date the benefit has been paid for the Maximum Benefit Period shown in the Benefit Schedule. The Company will pay benefits calculated at a rate of 1/30th of the monthly benefit for each day for which the Company is liable when You or Your Insured Spouse is Permanently Totally Disabled for less than a full month. Only one Benefit is provided for any one month of Permanent Total Disability, regardless of the number of Injuries causing the Permanent Total Disability or the number of losses incurred.

If You or Your Insured Spouse return to any occupation for which You or Your Insured Spouse is qualified by reason of education, experience or training on a full or part-time basis, You or Your Insured Spouse may return to Permanent Total Disability status if: (1) You have or Your Insured Spouse has been back to work for longer than 30 days; and (2) You are, or Your Insured Spouse is, again Permanently Totally Disabled due to the same Injury which caused the original Permanent Total Disability.

Periods of Permanent Total Disability separated by less than 30 consecutive days will be considered one period of Permanent Total Disability unless due to separate and unrelated causes.

The Company reserves the right, at the end of the 6 consecutive months of Permanent Total Disability (and as often as it may reasonably require thereafter) to determine, on the basis of all the facts and circumstances, that You are, or Your Insured Spouse is, Permanently Totally Disabled, including, but not limited to, requiring an independent medical examination provided at the expense of the Company.

Permanently Totally Disabled/Permanent Total Disability – As used in this benefit means:

1. That You have or Your Insured Spouse has suffered any of the following:
 - (a) loss of both hands or feet; or
 - (b) loss of one hand and one foot; or
 - (c) loss of sight in both eyes; or
 - (d) Hemiplegia; or
 - (e) Paraplegia; or
 - (f) Quadriplegia.
- and
2. You or Your Insured Spouse is permanently unable to perform the material and substantial duties of any occupation for which You or Your Insured Spouse is qualified by reason of education, experience or training; and
 3. You or Your Insured Spouse requires the supervision of a Physician, unless You have or Your Insured Spouse has reached the maximum point of recovery.

"Loss of a hand or foot" means complete severance through or above the wrist or ankle joint. "Loss of sight in both eyes" means total and irrecoverable loss of the entire sight in both eyes. "Hemiplegia" means the complete and irreversible paralysis of the upper and lower Limbs of the same side of the body. "Limb(s)" means entire arm or entire leg. "Paraplegia" means the complete and irreversible paralysis of both lower Limbs. "Quadriplegia" means the complete and irreversible paralysis of both upper and both lower Limbs.

Physician's Office Visits Indemnity Benefit

If the Insured visits a Physician's office for treatment of Routine Well Care, an Injury or Sickness while the Insured's coverage under this Benefit is in force, the Company will pay a benefit equal to the Per Visit Benefit shown in the Benefit Schedule, subject to the Maximum Benefit Amount shown in the Benefit Schedule. The Lifetime Maximum Benefit Amount is shown in the Benefit Schedule.

Routine Well Care – means a physical examination or appropriate immunization. Service must be under the supervision of or recommended by a Physician.

Sickness – means an illness or disease which is diagnosed or treated by a Physician.

The Sickness exclusions in the Exclusions section of the Policy or as amended shall not apply with respect to benefits payable under this Benefit.

LIMITATIONS

LIMITATION BASED ON THE AGE OF THE INSURED. If an Insured Person is 70 years of age or older on the date of a covered accident for which benefits are payable, the Maximum Amount payable for any and all benefits payable under the plan will be reduced by fifty percent (50%). This limitation does not apply to the Physician's Office Visits Indemnity Benefit.

Limitation on Benefit Payments. If You or Your Insured Spouse suffers one or more losses from the same accident for which benefits are payable for You or Your Insured Spouse under one or more Benefits provided by the Policy, the maximum amount payable for all benefits combined for You and Your Insured Spouse will not exceed the Per Accident Maximum Amount specified in the Benefit Schedule. If the combined Maximum Amount otherwise payable for all Insured Persons must be reduced to comply with this provision, the reduction will be taken by applying the same percentage of reduction to the individual Maximum Amount otherwise payable for each Insured Person for all such losses under all those Benefits combined.

EXCLUSIONS

No coverage shall be provided under this Policy and no payment shall be made for any loss resulting in whole or in part from, or contributed to by, or as a natural and probable consequence of any of the following excluded risks even if the proximate or precipitating cause of the loss is an accidental bodily Injury.⁷

1. suicide or any attempt at suicide or intentionally self-inflicted Injury or any attempt at intentionally self-inflicted Injury or autoeroticism.⁸
2. sickness, disease, mental incapacity or bodily infirmity whether the loss results directly or indirectly from any of these.⁹
3. the Insured's commission of or attempt to commit a felony.¹⁰
4. infections of any kind regardless of how contracted, except bacterial infections that are directly caused by botulism, botuline poisoning or an accidental cut or wound independent and in the absence of any underlying sickness, disease or condition including but not limited to diabetes.¹¹
5. declared or undeclared war, or any act of declared or undeclared war, except if specifically provided by this Policy.¹²
6. participation in any team sport or any other athletic activity, except participation in a Covered Activity.
7. full-time active duty in the armed forces, National Guard or organized reserve corps of any country or international authority. (Unearned premium for any period for which the Insured is not covered due to his or her active duty status will be refunded) (Loss caused while on short-term National Guard or reserve duty for regularly scheduled training purposes is not excluded).
8. travel or flight in or on (including getting in or out of, or on or off of) any vehicle used for aerial navigation, if the Insured Person is:
 - a. riding as a passenger in any aircraft not intended or licensed for the transportation of passengers; or
 - b. performing, learning to perform or instructing others to perform as a pilot or crew member of any aircraft; or
 - c. riding as a passenger in an aircraft owned, leased or operated by the Policyholder or the Insured Person's employer;
9. the Insured being under the influence of intoxicants.¹³
10. the Insured being under the influence of drugs unless taken under the advice of and as specified by a Physician.¹⁴
11. the medical or surgical treatment of sickness, disease, mental incapacity or bodily infirmity whether the loss results directly or indirectly from the treatment.¹⁵

12. stroke or cerebrovascular accident or event; cardiovascular accident or event; myocardial infarction or heart attack; coronary thrombosis; aneurysm.
13. any condition for which the Insured Person is entitled to benefits under any Worker's Compensation Act or similar law.
14. the Insured riding in or driving any type of motor vehicle as part of a speed contest or scheduled race, including testing such vehicle on a track, speedway or proving ground.
15. any loss incurred while outside the United States, its Territories or Canada.

CLAIMS PROVISIONS

Notice of Claim. Written notice of claim must be given to the Company within 20 days after an Insured's loss, or as soon thereafter as reasonably possible.¹⁶ Notice given by or on behalf of the claimant to the Company at LOTSolutions, Claims Department, P.O. Box 2066 Jacksonville, FL 32203-2066, with information sufficient to identify the Insured, is deemed notice to the Company.

Claim Forms. The Company will send claim forms to the claimant upon receipt of a written notice of claim. If such forms are not sent within 15 days after the giving of notice, the claimant will be deemed to have met the proof of loss requirements upon submitting, within the time fixed in this Policy for filing proofs of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made. The notice should include the Insured's name, the Policyholder's name and the Policy number.

Proof of Loss. Written proof of loss must be furnished to the Company within 90¹⁷ days after the date of the loss. If the loss is one for which the Policy requires continuing eligibility for periodic benefit payments, subsequent written proofs of eligibility must be furnished at such intervals as the Company may reasonably require. Failure to furnish proof within the time required neither invalidates nor reduces any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity of the claimant, later than one year from the time proof is otherwise required.¹⁸

Payment of Claims. Upon receipt of due written proof of death, payment for loss of life of an Insured will be made to the Insured's beneficiary as described in the Beneficiary Designation and Change provision below.

Upon receipt of due written proof of loss, payments for all losses, except loss of life, will be made to (or on behalf of, if applicable) the Insured suffering the loss. If an Insured dies before all payments due have been made, the amount still payable will be paid to his or her beneficiary as described in the Beneficiary Designation and Change provision below.

If any payee is a minor or is not competent to give a valid release for the payment, the payment will be made to the legal guardian of the payee's property. If the payee has no legal guardian for his or her property, a payment not exceeding \$1,000 may be made, at the Company's option, to any relative by blood or connection by marriage of the payee who, in the Company's opinion, has assumed the custody and support of the minor or responsibility for the incompetent person's affairs.

Any payment the Company makes in good faith fully discharges the Company's liability to the extent of the payment made.

Time of Payment of Claims. Benefits payable under the Policy for any loss other than loss for which the Policy provides any periodic payment will be paid immediately upon the Company's receipt of due written proof of the loss. Subject to the Company's receipt of written proof of loss, all accrued benefits for loss for which the Policy provides periodic payment will be paid at the expiration of each month during the continuance of the period for which the Company is liable and any balance remaining unpaid upon termination of liability will be paid immediately.¹⁹

GENERAL PROVISIONS

Beneficiary Designation and Change. The Insured's beneficiary(ies) is (are) the person(s) designated by the Insured and on file with the Policyholder.

An Insured over the age of majority and legally competent may change his or her beneficiary designation at any time, unless an irrevocable designation has been made, without the consent of the designated beneficiary (ies), by providing the Policyholder with a written request for change. When the request is received, whether the Insured is then living or not, the change of beneficiary will relate back to and take effect as of the date of execution of the written request, but without prejudice to the Company on account of any payment made by it prior to receipt of the request.

If there is no designated beneficiary or no designated beneficiary is living after the Insured's death, the benefits will be paid, in equal shares, to the survivors in the first surviving class of those that follow: the Insured's (1) spouse; (2) children; (3) parents; or (4) brothers and sisters. If no class has a survivor, the beneficiary is the Insured's estate.

Physical Examination and Autopsy. The Company at its own expense has the right and opportunity to examine the person of any individual whose loss is the basis of claim under the Policy when and as often as it may reasonably require during the pendency of the claim and to make an autopsy in case of death where it is not forbidden by law.²⁰

¹ For residents of CT, definition of Hospital will read: means a facility that: (1) is operated according to law for the care and treatment of injured people; (2) has organized facilities for diagnosis and surgery on its premises or in facilities available to it on a prearranged basis; (3) has 24 hour nursing service by registered nurses (R.N.); and (4) is supervised by one or more Physicians. A Hospital does not include: (1) a nursing, convalescent or geriatric unit of a hospital when a patient is confined mainly to receive nursing care; (2) a facility that is, other than incidentally, a rest home, nursing home, convalescent home or home for the aged; nor does it include any ward, room, wing, or other section of the hospital that is used for such purposes; or (3) any military or veterans hospital or soldiers home or any hospital contracted for or operated by any national government or government agency for the treatment of members or ex-members of the armed forces, unless the Insured is legally required to pay for services in the absence of insurance.

For residents of FL, definition of Hospital will read: means a facility that: (1) is operated according to law for the care and treatment of injured people; (2) has organized facilities for diagnosis and surgery on its premises or in facilities available to it on a prearranged basis or is accredited by the Joint Commission on the Accreditation of Hospitals, the American Osteopathic Association, or the Commission on the Accreditation of Rehabilitative Facilities; (3) has 24 hour nursing service by registered nurses (R.N.'s); and (4) is supervised by one or more Physicians. A Hospital does not include: (1) a nursing, convalescent or geriatric unit of a hospital when a patient is confined mainly to receive nursing care; (2) a facility that is, other than incidentally, a rest home, nursing home, convalescent home or home for the aged; nor does it include any ward, room, wing, or other section of the hospital that is used for such purposes; or (3) any military or veterans hospital or soldiers home or any hospital contracted for or operated by any national government or government agency for the treatment of members or ex-members of the armed forces.

For residents of MO, definition of Hospital will read: means a facility which: (1) is operated according to law for the care and treatment of injured and sick people; (2) has organized facilities for diagnosis and surgery on its premises or in facilities available to it on a prearranged basis; (3) has 24 hour nursing service by registered nurses (R.N.'s) on duty or call; and (4) is supervised by one or more Physicians. A Hospital does not include: (1) a nursing, convalescent or geriatric unit of a hospital when a patient is confined mainly to receive nursing care; or (2) a facility which is, other than incidentally, a rest home, nursing home, convalescent home or home for the aged; nor does it include any ward room, wing, or

Conformity with State Statutes. Any provision of the Policy which, on its effective date, is in conflict with the statutes of the state in which this Policy is delivered is hereby amended to conform to the minimum requirements of those statutes.²¹

Workers' Compensation. This Policy is not in lieu of and does not affect any requirements for coverage by any Workers' Compensation Act or similar law.

Clerical Error. Clerical error, whether by the Policyholder or the Company, will not void the insurance of any Insured if that insurance would otherwise have been in effect nor extend the insurance of any Insured if that insurance would otherwise have ended or been reduced as provided in the Policy.

Assignment. The Policy is non-assignable. An Insured may not assign any of his or her rights, privileges or benefits under the Policy.

Misstatement of Age. If premiums for the Insured are based on age and the Insured has misstated his or her age, there will be a fair adjustment of premiums based on his or her true age. If the benefits for which the Insured is insured are based on age and the Insured has misstated his or her age, there will be an adjustment of said benefit based on his or her true age. The Company may require satisfactory proof of age before paying any claim.

other section of the hospital that is used for such purposes; or (3) any military or veterans hospital or soldiers home or any hospital contracted for or operated by any national government or government agency for the treatment of members or ex-members of the armed forces, unless the Insured is legally required to pay for services in the absence of insurance.

For residents of NC, definition of Hospital will read: means a facility that: (1) is operated according to law for the care and treatment of injured and sick people; (2) has organized facilities for diagnosis and surgery on its premises or in facilities available to it on a prearranged basis; (3) has 24 hour nursing service by registered nurses (R.N.); and (4) is supervised by one or more Physicians. A Hospital does not include: (1) a nursing, convalescent or geriatric unit of a hospital when a patient is confined mainly to receive nursing care; or (2) a facility that is, other than incidentally, a rest home, nursing home, convalescent home or home for the aged; nor does it include any ward, room, wing, or other section of the hospital that is used for such purposes.

For residents of PA, definition of Hospital will read: means a facility which: (1) is operated pursuant to law and which is licensed or approved as a hospital by the responsible state agency; (2) is primarily engaged in providing medical care and treatment of sick or injured persons on an in-patient basis for which a charge is made; and (3) provides 24-hour nursing service by or under the supervision of a registered graduate professional nurse (R.N.). A Hospital does not include: (1) any military or veterans hospital or soldiers home or any hospital contracted for or operated by any national government or agency thereof for the treatment of members or ex-members of the armed forces; (2) convalescent homes, convalescent, rest, or nursing facilities; or (3) facilities primarily for the aged, drug or alcoholic rehabilitation, and those primarily affording custodial or educational care.

For residents of UT, definition of Hospital will read: means a facility which is duly licensed as a hospital and operating within the scope of that license.

² For residents of PA, definition of Immediate Family Member will read: means a person who is related to the Insured or his or her spouse in any of the following ways: spouse, child, parent, brother or sister, or persons who ordinarily reside in the Insured's household.

³ For residents of FL, NH, PA, SC and WV, definition of Injury will read: means bodily injury: (1) which is sustained as a direct result of an unintended, unanticipated accident that occurs while the injured person's

coverage under the Policy is in force; (2) which occurs while such person is participating in a Covered Activity; and (3) which directly (independent of sickness, disease, mental incapacity, bodily infirmity or any other cause) causes a covered loss.

For residents of IL, definition of Injury will read: means bodily injury: (1) which is sustained as a direct result of an unintended, unanticipated accident that occurs while the injured person's coverage under the Policy is in force; (2) which occurs while such person is participating in a Covered Activity; and (3) which directly (independent of sickness, disease, mental incapacity, bodily infirmity or any other cause) causes a covered loss.

For residents of MO, definition of Injury will read: means bodily injury: (1) which is sustained as a direct result of an accident that occurs while the injured person's coverage under this Policy is in force; (2) which occurs while such person is participating in a Covered Activity; and (3) which directly (independent of sickness, disease, mental incapacity, bodily infirmity or any other cause) causes a covered loss.

For residents of VT, definition of Injury will read: means bodily injury: (1) which is sustained as a direct result of an unintended, unanticipated accident that occurs while the injured person's coverage under the Policy is in force; (2) which occurs while such person is participating in a Covered Activity; and (3) which is not the result of disease or bodily infirmity and directly causes a covered loss.

⁴ For residents of UT, the following is added: In the event that an Insured's coverage ends due to the termination of the Policy, the Policyholder must give 30 days advance written notice of the termination to the Insured and must notify each of any rights he or she may have to continue coverage upon termination.

⁵ For residents of FL, the 2nd paragraph will read: Termination of coverage will not affect a claim for a covered loss that occurs either before or after such termination if that loss results from an accident that occurred while the Insured's coverage was in force under the Policy.

⁶ For residents of VT, the following is added: In no event will any Reduction Schedule provision or percentage of Maximum Amount provision operate to reduce the percentage payable to less than \$5,000 for loss of life or double dismemberment or \$2,500 for single dismemberment.

⁷ For residents of IL, the introductory paragraph of Exclusions will read: No coverage shall be provided under the Policy and no payment shall be made for any loss resulting in, or as a natural and probable consequence of, any of the following excluded risks.

For residents of WV, the introductory paragraph of Exclusions will read: No coverage shall be provided under the Policy and no payment shall be made for any loss resulting from, or contributed to by, or as a natural and probable consequence of any of the following excluded risks even if the proximate or precipitating cause of the loss is an accidental bodily injury.

⁸ For residents of CO, Exclusion 1 will read: suicide or any attempt at suicide or intentionally self-inflicted injury or any attempt at intentionally self-inflicted injury, while sane or autoeroticism.

For residents of MO, Exclusion 1 will read: suicide or any attempt at suicide while sane or intentionally self-inflicted injury or any attempt at intentionally self-inflicted injury or autoeroticism.

⁹ For residents of IL and VT, Exclusion 2 will read: sickness, disease, mental incapacity or bodily infirmity.

¹⁰ For residents of VT, Exclusion 3 will read: the Insured's commission of or attempt to commit a felony.

¹¹ For residents of MO, Exclusion 4 will read: infections of any kind regardless of how contracted, except bacterial infections that are directly caused by botulism, ptomaine poisoning, accidental ingestion of contaminated substances or an accidental cut or wound independent and in the absence of any underlying sickness, disease or condition including but not limited to diabetes.

For residents of WV, Exclusion 4 will read: infections of any kind regardless of how contracted, except bacterial infections that are directly caused by botulism, ptomaine poisoning and in the absence of any underlying sickness, disease or condition including but not limited to diabetes.

¹² For residents of OK, Exclusion 5 will read: war or acts of war declared or undeclared, while serving in the military forces or any auxiliary unit attached thereto.

¹³ For residents of CT, Exclusion 8 will read: The Insured being intoxicated under the applicable law of the jurisdiction where the accident occurred.

For residents of NH, Exclusion 8 will read: The Insured being legally intoxicated as defined by the laws of the jurisdiction where the accident occurred.

For residents of OR, Exclusion 8 will read: The Insured being legally intoxicated as defined by the laws of the state in which the Policy is delivered.

For residents of VT, Exclusion 8 does not apply.

¹⁴ For residents of CT, Exclusion 9 will read: The Insured's voluntary use of any controlled substance as defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as now or hereafter amended, unless as prescribed the Insured's Physician for the Insured.

For residents of LA, Exclusion 9 will read: The Insured being under the influence of narcotics unless taken under the advice of and as specified by a Physician.

For residents of PA, Exclusion 9 will read: The Insured being under the influence of any narcotic unless taken under the advice of and as specified by a Physician.

For residents of SD, Exclusion 9 will read: The Insured being under the influence of drugs or intoxicants during the Insured's commission of a felony.

For residents of VT, Exclusion 9 does not apply.

¹⁵ For residents of IL, Exclusion 10 will read: the medical or surgical treatment of sickness, disease, mental incapacity or bodily infirmity.

¹⁶ For residents of MS, the 1st sentence of Notice of Claim will read: Written notice of claim must be given to the Company within 30 days after an Insured's loss, or as soon thereafter as reasonably possible

¹⁷ For residents of NC, this will read: 180

¹⁸ For residents of NH and UT, the last sentence will read: Failure to furnish proof within the time required neither invalidates nor reduces any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible.

¹⁹ For residents of MS, Time of Payment of Claims will read: Benefits payable under the Policy for any loss other than loss for which this Policy provides any periodic payment will be paid immediately within forty-five (45) days after the Company's receipt of due written proof of the loss. If payment of a valid claim is not made within this forty-five (45) day period, interest will accrue on the amount payable by the Company at a rate of one and one-half percent (1 1/2%) per month until the claim is settled. The Insured may bring action to recover such benefits, including interest and any other damages as may be allowed by law, if benefits are not paid when due. Subject to the Company's receipt of due written proof of loss, all accrued benefits for loss for which this Policy provides periodic payment will be paid at the expiration of each month during the continuance of the period for which the Company is liable and any balance remaining unpaid upon termination of liability will be paid immediately upon within forty-five (45) days after receipt of such proof.

For residents of TX, the 1st sentence of Time of Payment of Claims will read: Benefits payable under the Policy for any loss other than loss for which the Policy provides any periodic payment will be paid immediately upon the Company's receipt of due written proof of the loss, but in no event more than 60 days from receipt of proof of loss.

²⁰ For residents of MS, Autopsy does not apply.

For residents of SC, Physical Exam and Autopsy will read: The Company at its own expense has the right and opportunity to examine the person of any individual whose loss is the basis of claim under the Policy when and as often as it may reasonably require during the pendency of the claim and to make an autopsy during the contestable period in case of death where it is not forbidden by law. The autopsy must be performed in the state of South Carolina.

²¹ For residents of MI, Conformity with State Statutes does not apply.

For residents of PA, Conformity with State Statutes will read: Any provision of the Policy which, on its effective date, is in conflict with the statutes of the state in which the Insured resides is hereby amended to conform to the minimum requirements of those statutes.

For residents of WI, the following is added:

KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS

PROBLEMS WITH YOUR INSURANCE? - If you are having problems with your insurance company or agent, do not hesitate to contact the insurance company or agent to resolve your problem.

National Union Fire Insurance Company of Pittsburgh, Pa.
Customer Service
1-800-551-0824

You can also contact the **OFFICE OF THE COMMISSIONER OF INSURANCE** a state agency which enforces Wisconsin's insurance laws, and file a complaint. You can contact the **OFFICE OF THE COMMISSIONER OF INSURANCE** by contacting:

Office of the Commissioner of Insurance
Complaints Department
P.O. Box 7873
Madison, WI 53707-7873
1-800-236-8517
608-266-0103

NOTICE:

Insurance Coverage Underwritten by:

National Union Fire Insurance Company of Pittsburgh, Pa.

Administered By:

LOT Solutions, Inc.
P.O. Box 40350
Jacksonville, Florida 32231
Telephone: 1-800-572-5838



AIG Benefit Solutions

Underwritten by

American General Life Insurance Company*

Houston, Texas

The United States Life Insurance Company in the City of New York

New York, New York

National Union Fire Insurance Company of Pittsburgh, PA

New York, New York

Group Limited Healthcare Claim Form
PROOF OF LOSS Hospital Indemnity, ER, POV

*This company does not solicit business in New York.

INSTRUCTIONS

1. Fully complete all pages of this claim form, including the HIPAA Authorization and Fraud Statement. Failure to comply may delay the processing of your claim.
2. Attach fully itemized bills from your health care providers, such as a CMS 1500 or CMS 1450. An itemized bill contains: the patient's name; the date(s) services were rendered; a description of the services rendered; the CPT/Revenue code(s) for each service and the fee for each service; the diagnosis or ICD-9 code; and the name, address, telephone number, professional status and Federal Tax Identification number of the health care provider. Failure to comply may delay the processing of your claim.

Mail your claims to: AIG, P.O. Box J, Beattyville, KY 41311
 Fax (888) 446-2390 Phone (866) 960-0772

Hospital Indemnity Emergency Room Treatment Physician Office Visit

INSURED/PATIENT'S INFORMATION SECTION

Policy Number *50270406*Do you have more than 1 Policy Number? Yes (Please list) No

Name of Insured (first, middle initial, last) (Please Print)

Warren R Shultz

Insured's Address, Street & No.

3315 Sunset / Po Box 1063

City

North Platte

State

NE

Zip

69103

Phone No.

308-532-2603

Date of Birth

*10-23-34*Male Female Single Married

Patient's Name for whom claim is being made (first, middle initial, last)

Patient's Relationship to Insured

*Warren R Shultz**Self*

Patient's Sex

Female

Patient's Date of Birth

10-23-34

If over age 19 and attending school or college, provide proof of Full Time Student Status

Date of Service

See attached

Nature of Sickness or Injury

Fall - hit head

Is condition related to employment?

Yes No

Is condition related to an auto accident?

Yes No

Is claim related to an accidental injury of any type?

Yes No

If Yes, what was date of accidental injury?

10-8-2015

If Yes, how and where did the accidental injury occur?

Fell crossing the street and hit his head.

Healthcare Provider's Name

See attached

Healthcare Provider's Telephone Number

See attached

Healthcare Provider's Address, Street & No.

See attached

City

State Zip

Exhibit (B)

AIGB100349a R10/14



AIG Benefit Solutions

Underwritten by

American General Life Insurance Company*

Houston, Texas

The United States Life Insurance Company in the City of New York

New York, New York

National Union Fire Insurance Company of Pittsburgh, PA

New York, New York

*This company does not solicit business in New York.

HIPAA Authorization Section

*Health Insurance Portability and Accountability Act ("HIPAA")**Authorization to Obtain and Disclose Information*

Patient's Name <u>Daren R Shultz</u>	Date of Birth <u>10-23-1934</u>	Social Security Number (Insert last 4 digits of SS# only) <u>506-38-6224</u>
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I hereby authorize all of the people and organizations listed below to give American General Life Insurance Company and their authorized representatives, as well as other agents and insurance support organizations, (collectively, the "Recipient"), the following information:

- any and all information relating to my health (except psychotherapy notes) and my insurance policies and claims, including, but not limited to, information relating to any medical consultations, treatments, or surgeries; hospital confinements for physical and mental conditions; use of drugs or alcohol; and communicable diseases including HIV or AIDS.

I hereby authorize each of the following entities to provide the information outlined above:

- any physician or medical practitioner;
- any hospital, clinic or other health care facility;
- any insurance or reinsurance company (including, but not limited to, the Recipient or any other American General Life company which may have provided me with life, accident, health, and/or disability insurance coverage, or to which I may have applied for insurance coverage, but coverage was not issued);
- any consumer reporting agency or insurance support organization;
- my employer, group policy holder, or benefit plan administrator; and
- the Medical Information Bureau (MIB).

I understand that the information obtained will be used by the Recipient to:

- determine my eligibility for benefits under and/or the contestability of an insurance policy; and
- detect health care fraud or abuse or for compliance activities, which may include disclosure to MIB and participation in MIB's fraud prevention or fraud detection programs.

I hereby acknowledge that the insurance companies listed above are subject to federal privacy regulations. I understand that information released to the Recipient will be used and disclosed as described in the American General Life Insurance Company Notice of Health Information Privacy Practices, but that upon disclosure to any person or organization that is not a health plan or health care provider, the information may no longer be protected by federal privacy regulations.

I may revoke this authorization at any time, except to the extent that action has been taken in reliance on this authorization or other law allows the Recipient to contest a claim under the policy or to contest the policy itself, by sending a written request to: American General Life Insurance Company, P.O. Box J, Beattyville, KY 41311. I understand that my revocation of this authorization will not affect uses and disclosure of my health information by the Recipient for purposes of claims administration and other matters associated with my claim for benefits under insurance coverage and the administration of any such policy.

I understand that the signing of this authorization is voluntary; however, if I do not sign the authorization, the Companies may not be able to obtain the medical information necessary to consider my claim for benefits.

This authorization will be valid for 24 months or the duration of any claim for benefits under my insurance coverage, whichever is later. A copy of this authorization will be as valid as the original. I understand that I am entitled to receive a copy of this authorization.

Signature of Patient or Patient's Personal Representative

Date

Description of Authority of Personal Representative (if applicable)



AIG
Group Benefits
PO Box L, Beatyville KY 41311

March 9, 2017

Warren Shults
c/o Vince J Dugan
Brouilette, Dugan, Troyshynski P.C, LLO
501 South Dewey Street
PO Box 1605
North Platte, NE 69103-1605

RE:

Policy Holder: Warren Shults
Policy Number: 9540562/50270406
Claim Number 201702280466
Underwritten by National Union Fire Insurance Company Of Pittsburgh, PA.

Dear Mr. Shults:

We are writing to advise you that we have completed our review of your Permanent Total Disability Accident benefits under the above referenced policy and are unable to approve your request for benefits. Based on a review of all information submitted to date, we have determined that you do not meet the policy requirements below under the above mentioned policy and are not eligible for any monetary benefits.

Furthermore in order for you to be eligible for Permanent Total Disability benefits you must have suffered from the following:

- *loss of both hands or feet*
- *or loss of one hand and one foot*
- *or loss of sight in both eyes;*
- *or Hemiplegia; or Paraplegia; or Quadriplegia*

"Loss of a hand or foot" means complete severance through or above the wrist or ankle joint. "Loss of sight in both eyes" means total and irrecoverable loss of the entire sight in both eyes. "Hemiplegia" means the complete and irreversible paralysis of the upper and lower Limbs of the same side of the body. "Limb(s)" means entire arm or entire leg. "Paraplegia" means the complete and irreversible paralysis of both lower Limbs. "Quadriplegia" means the complete and irreversible paralysis of both upper and both lower Limbs.

Policies issued by American General Life Insurance Company (all states except NY), The United States Life Insurance Company in the City of New York (all states), and National Union Fire Insurance Company of Pittsburgh, Pa. (all states). Each insurance company is responsible for the financial obligations of insurance products it issues and all are members of American International Group, Inc. (AIG).



AIG
Group Benefits
PO Box L, Beattyville KY 41311

Please refer to your enclosed policy for a complete description of all policy provisions.

Should you have any questions concerning your claim or, if we can be of further service to you, please do not hesitate to contact me at (732) 922-7682.

Should you elect to appeal this decision please do so in writing with additional information to support your appeal. Appeals should be mailed to: AIG Benefit Solutions Connecticut Claim Center, P.O. Box L, Beattyville, KY 41311.

Sincerely,

Susan Calt

Susan Calt
Disability Case Manager
AIG Benefit Solutions Connecticut Claim Center

Policies issued by American General Life Insurance Company (all states except NY), The United States Life Insurance Company in the City of New York (all states), and National Union Fire Insurance Company of Pittsburgh, Pa. (all states). Each insurance company is responsible for the financial obligations of insurance products it issues and all are members of American International Group, Inc. (AIG).